64 P.L

MONTANA LEGISLATIVE HISTORY

Chapter 207 1995

Bill H_____ S_____ Original bill & history ✓ C

H. Committee on Business & Labor			S. Committee on Business & Industry		
Hearing Date(s)	3-3	C	Hearing Date(s)	2-2	C
	3-7	C		2-6	C
		C			C
		C			C
Date Out	3-7	C			

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

SB 17 INTRODUCED BY KEATING

DIRECT DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO TREAT HIV INFECTION IN SAME MANNER AS OTHER COMMUNICABLE AND SEXUALLY TRANSMITTED DISEASES

12/15	INTRODUCED		
12/23	FISCAL NOTE REQUESTED		
1/02	FISCAL NOTE RECEIVED		
1/02	FIRST READING		
1/02	REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY		
1/03	FISCAL NOTE PRINTED		
1/27	HEARING		
2/07	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/08	2ND READING PASSED	29	21
2/09	3RD READING PASSED	28	22
	TRANSMITTED TO HOUSE		
2/10	FIRST READING		
2/15	REFERRED TO HUMAN SERVICES & AGING		
3/13	HEARING		
3/20	TABLED IN COMMITTEE		
3/23	TABLED IN COMMITTEE		
4/04	COMMITTEE REPORT—BILL CONCURRED		
	DIED IN PROCESS		

SB 18 INTRODUCED BY KLAMPE

REQUIRE RENEGOTIATION OF A COLLECTIVE BARGAINING AGREEMENT WHENEVER TWO OR MORE SCHOOL DISTRICTS REORGANIZE UNDER PROVISIONS OF TITLE 20, CHAPTER 6

12/15	INTRODUCED		
1/02	FISCAL NOTE REQUESTED		
1/02	FIRST READING		
1/02	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/03	FISCAL NOTE PRINTED		
1/03	FISCAL NOTE RECEIVED		
1/09	HEARING		
1/18	HEARING		
1/18	TABLED IN COMMITTEE		
2/23	MISSED TRANSMITTAL DEADLINE FOR 45TH DAY		
	DIED IN COMMITTEE		

SB 19 INTRODUCED BY GAGE

INCLUDE GREYHOUND RACES AS RACES THAT MAY BE SIMULCAST UNDER BOARD OF HORSERACING'S AUTHORITY

12/15	INTRODUCED		
1/02	FISCAL NOTE PRINTED		
1/02	FIRST READING		
1/02	REFERRED TO BUSINESS & INDUSTRY		
2/02	HEARING		
2/06	COMMITTEE REPORT—BILL PASSED		
2/07	2ND READING PASSED	28	19
2/08	3RD READING PASSED	33	16
	TRANSMITTED TO HOUSE		
2/09	FIRST READING		
2/15	REFERRED TO BUSINESS & LABOR		
3/03	HEARING		
3/07	COMMITTEE REPORT—BILL CONCURRED		
3/11	2ND READING CONCURRED	63	34
3/14	3RD READING CONCURRED	60	38

	RETURNED TO SENATE		
3/16	SIGNED BY PRESIDENT		
3/18	SIGNED BY SPEAKER		
3/20	TRANSMITTED TO GOVERNOR		
3/23	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 207		
	EFFECTIVE DATE: 03/23/95		

SB 20 INTRODUCED BY LYNCH

PROVIDE THAT LEGISLATIVE COUNCIL IS RESPONSIBLE FOR ASSISTING IN PREPARATION AND PRESENTATION OF AN ORIENTATION FOR LEGISLATORS

BY REQUEST OF LEGISLATIVE COUNCIL

12/15	INTRODUCED		
12/23	FISCAL NOTE REQUESTED		
1/02	FIRST READING		
1/02	REFERRED TO LEGISLATIVE ADMINISTRATION		
1/05	COMMITTEE REPORT—BILL PASSED		
1/06	FISCAL NOTE RECEIVED		
1/06	FISCAL NOTE PRINTED		
1/06	2ND READING PASSED	49	0
1/07	3RD READING PASSED	43	0
	TRANSMITTED TO HOUSE		
1/09	FIRST READING		
1/09	REFERRED TO STATE ADMINISTRATION		
1/12	HEARING		
1/18	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
1/21	2ND READING CONCURRED	52	47
1/21	MOTION FAILED TO TAKE FROM ENGROSSING AND REFER TO APPROPRIATIONS	55	38
1/23	TAKEN FROM 3RD READING AND REREFERRED TO STATE ADMINISTRATION		
3/31	MISSED TRANSMITTAL DEADLINE FOR 73RD DAY DIED IN COMMITTEE		

SB 21 INTRODUCED BY HALLIGAN

CORRECT AN ENROLLING ERROR BY CLARIFYING THAT USE OF CLASSIFICATIONS OF EMPLOYMENT ADOPTED BY NATIONAL COUNCIL ON COMPENSATION INSURANCE BY STATE FUND IS PERMISSIVE

BY REQUEST OF LEGISLATIVE COUNCIL

12/15	INTRODUCED		
1/02	FIRST READING		
1/02	REFERRED TO STATE ADMINISTRATION		
1/13	HEARING		
1/13	COMMITTEE REPORT—BILL PASSED		
1/14	2ND READING PASSED	39	0
1/16	3RD READING PASSED	50	0
	TRANSMITTED TO HOUSE		
1/17	FIRST READING		
1/17	REFERRED TO BUSINESS & LABOR		
1/24	HEARING		
1/25	COMMITTEE REPORT—BILL CONCURRED		
1/28	2ND READING CONCURRED	96	0
1/30	3RD READING CONCURRED	99	1
	RETURNED TO SENATE		
1/31	SIGNED BY SPEAKER		
1/31	SIGNED BY PRESIDENT		
2/01	TRANSMITTED TO GOVERNOR		

SENATE BILL NO. 19

INTRODUCED BY GAGE

A BILL FOR AN ACT ENTITLED: "AN ACT INCLUDING GREYHOUND RACES AS RACES THAT MAY BE SIMULCAST UNDER THE BOARD OF HORSERACING'S AUTHORITY; AMENDING SECTION 23-4-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-4-101, MCA, is amended to read:

"**23-4-101. Definitions.** Unless the context requires otherwise, in this chapter, the following definitions apply:

(1) "Board" means the board of horseracing provided for in 2-15-1881.

(2) "Board of stewards" means a board composed of three stewards who supervise race meets.

(3) "Department" means the department of commerce provided for in Title 2, chapter 15, part 18.

(4) "Immediate family" means the spouse, parents, children, grandchildren, brothers, or sisters of an official or licensee regulated by this chapter and all other persons who have a permanent or continuous residence in the household of the official or licensee.

(5) "Minor" means a person under 18 years of age.

(6) "Persons" means individuals, firms, corporations, fair boards, and associations.

(7) (a) "Race meet" means racing of registered horses or mules ~~where~~ at which the parimutuel system of wagering is used. The term includes horseraces, mule races, and greyhound races that are simulcast ~~races~~.

(b) The term does not include live greyhound racing.

(8) "Racing" means live racing of registered horses or mules and simulcast racing of horses, mules, and greyhounds.

~~(8)~~(9) "Simulcast" means a live broadcast of an actual horserace, mule race, or greyhound race at the time it is run. The term includes races of local or national prominence.

~~(9)~~(10) "Simulcast facility" means a facility at which horseraces, mule races, or greyhound races are simulcast and wagering on the outcome is permitted under the parimutuel system.

~~(10)~~(11) "Steward" means an official hired by the department and by persons sponsoring a rac
meet to regulate and control the day-to-day conduct and operation of a sanctioned meet."

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0019, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:
An act including greyhound races as races that may be simulcast under the Board of Horse Racing's authority.

ASSUMPTIONS:
1. The bill would be effective on passage for planning purposes and implemented by the agency July 1, 1995.
2. There will be network simulcasts Friday and Saturday evenings during the winter simulcast season (October through May) of approximately 75 days.
3. Greyhound races will produce an additional average daily gross receipts (handle) of $15,000 X 75 days generating a $1,125,000 annual handle. One percent of the handle, or $11,125, will be credited to Board of Horse Racing state special revenue account.
4. Any cost adjustments will be absorbed into the Board of Horse Racing current level budget.

FISCAL IMPACT:

Revenues:

	FY96 Difference	FY97 Difference
Department of Commerce		
Board of Horse Racing:		
State Special Revenue (02)	11,125	11,125

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:
County fair boards also receive 1% of the gross receipts. Therefore, fair boards in those counties supporting simulcast racing would share $11,125.

David Lewis 1-2-95
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

DELWYN GAGE, PRIMARY SPONSOR 1-2-95 DATE

Fiscal Note for SB0019, as introduced

SB 19

BILL NO	REFERRED	HEARING	OTHER CONSIDERATION DATES	EXECUTIVE ACTION/DATE/VOTE			RE-REFERRED	DATE READ
SB0019	GAGE, DELWYN 1/02	2/02	ALLOW FOR SIMULCASTING OF GREYHOUND RACES	DO PASS	2/06	VOTE: 7-1		2/06
SB0022	GAGE, DELWYN 1/02	2/02	PROVIDE LIMITED EXEMPTION FOR LICENSED JOCKEY FROM WORKERS' COMPENSATION	PASS AS AMENDED	2/03	VOTE: 7-2		2/03
SB0038	BENEDICT, STEVE 1/02	1/11	JOB INVESTMENT ACT 1/12, 1/17,	PASS AS AMENDED	1/19	VOTE: UNAN		1/19
SB0067	LYNCH, J. D. 1/07	1/17	EXEMPT INS LICENSEE OVER 70 & 35 YRS GOOD STANDING FROM CONTIN ED CLASS	DO PASS	1/18	VOTE: 5-4		1/18
SB0095	BISHOP, AL 1/11		REVISE HEARING AID TRAINEE LICENSURE			VOTE:	PUBLIC HEALTH	
SB0100	BECK, TOM 1/11	1/13	AUTHORIZE LOCAL GOV LOANS FOR CERTAIN ECONOMIC DEV PROJECTS; AKA MICRON BILL	DO PASS	1/13	VOTE: UNAN		1/13
SB0119	HERTEL, JOHN 1/13		BILL WITHDRAWN			VOTE:		
SB0164	GAGE, DELWYN 1/17	1/25	REMOVE STATE IMPEDIMENTS TO MUNICIPAL LICENSURE OF BUSINESS	TABLED ON	01/27	VOTE: 8-1		
SB0170	KEATING, TOM 1/17	2/01	ELIMINATE CERTAIN IN-STATE BIDDING PREFERENCES	DO PASS	2/03	VOTE: 6-3		2/03
SB0177	FOSTER, MIKE 1/17	1/27	REQUIRE CERTAIN INSURERS, CORPS & HMOS TO DISCLOSE MEANING OF CERTAIN TERMS	PASS AS AMENDED	2/08	VOTE: UNAN		2/08
SB0187	BROWN, BOB 1/18	1/31	AUTOMATED REPORTING AND ACCOUNTNG FOR VIDEO GAMBLING MACHINES 2/08	PASS AS AMENDED	2/16	VOTE: 6-3		2/16
SB0196	GAGE, DELWYN 1/19	1/25	REPEAL THE MONTANA RATEMAKING ACT	DO PASS	1/25	VOTE: UNAN		1/26

MINUTES

MONTANA SENATE
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By **CHAIRMAN JOHN HERTEL**, on February 2, 1995, at 8:00 a.m.

ROLL CALL

Members Present:
Sen. John R. Hertel, Chairman (R)
Sen. Steve Benedict, Vice Chairman (R)
Sen. William S. Crismore (R)
Sen. C.A. Casey Emerson (R)
Sen. Ken Miller (R)
Sen. Mike Sprague (R)
Sen. Gary Forrester (D)
Sen. Terry Klampe (D)
Sen. Bill Wilson (D)

Members Excused: N/A

Members Absent: N/A

Staff Present: Bart Campbell, Legislative Council
Lynette Lavin, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: SB 242, SB 19, SB 22
Executive Action: None

HEARING ON SB 242

Opening Statement by Sponsor:

SEN. DELWYN GAGE, SD 43, Cutbank, related his concern about horseracing, and particularly the Horseracing Board. Studying boards of various professions in the State of Montana, he found all of them had people from their profession on their boards. The Livestock Board not only has livestock people on their board, they also suggest to the Governor people to appoint to the board. This is the ultimate in independence and control. He stated the changes to be proposed will not do that. On page 1, lines 14, 15, 16, it says: no person holding a financial interest in the race track or race meet, member of a county fair board or owner, trainer, or breeder of a race horse is eligible for membership on

going in the State of Montana. **SEN. GAGE** added that he hasn't been that involved in Montana's industry for a number of years so he is not fully aware of the kind of problems people are having with the board of horseracing in Montana. He stated, in his experience from the past, when many persons were trying to get on the board, the Governor of that time stated, "I have one other appointment to make which I promised during my campaigning and I've got to use the horseracing board for that appointment". That may give you some inkling of how those appointments were made. It is clear to him that this industry should have some representation to see that their products are treated fairly with regard to decisions of boards, etc.

{Tape: 1; Side: B}

HEARING ON SB 19

Opening Statement by Sponsor:

SEN. GAGE, SD 43, Cutbank, announced this bill, as you can see, brings greyhound racing into the simulcast area.

Proponents' Testimony:

Dave Mahlum, Owner of Mahlum Thoroughbred Farms, read written testimony written by **Topper Tracy, Editor, Racing Journal, EXHIBIT 10.**

Don Bentson, Executive Secretary, Montana Horse Breeders Association, read his written testimony, **EXHIBIT 11.**

Tom Tucker, Montana Simulcast Partners, read his written testimony, **EXHIBIT 12.**

Bill Nooney, Fair Board Member/Western Montana Fair, Missoula, read his written testimony, **EXHIBIT 13.**

Burton Farley, Vice President, HBPA, stated his organization was in favor of SB 19.

Doug Allen, attorney, noted he has raced horses for years and represented many clients before the Board of Horseracing. This bill is necessary. The Board of Horseracing does not have authority to authorize simulcast racing. He was in agreement with all previous proponents that it was vital to our industry. When the board decided to test simulcasting in Montana, we thought it was incorrect for the board to do something against the law. We notified the board that they did not have the authority to allow the simulcast racing. We were ultimately proved to be correct in court. He urged that this bill be passed in order for the board to legally authorize simulcasting.

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

SEN. SPRAGUE reminded **Sam Murfitt, Executive Secretary for the Board of Horseracing,** that the administration has been public about the fact they are not in favor of expansion of gambling. **SEN. SPRAGUE** asked "how can I go home to my constituents and justify this"? **Sam Murfitt** replied that he could not speak for the Department of Commerce, but he, personally, did not regard this as an expansion of gambling. We could run around the clock horseracing, but we don't. We would like to bring the greyhound racing on another signal. Both are pari-mutuel, use the same machines and the betting menu is exactly the same. All the regulations and rules are applied. **SEN. SPRAGUE** noted that there was an absence of organizations that typically oppose expanded gambling, therefore they must neither oppose this nor consider it as expanded gambling. Do you, **Mr. Murfitt,** believe that we, as a body, are deliberating an item such as the dial-up system?.. that since this is video gaming, is this industry aware and prepared, if necessary, to dial-up? **Mr. Murfitt** replied that the industry, on the contrary, is a front runner in the dial-up business and gambling in Montana. They have had dial-up lines, with simulcast, for 4-5 years. They have been paying, at the expense of their organizations, to have auditors and dial-up lines to connect the hub in Great Falls into whichever track we are simulcasting.

SEN. CRISMORE asked **Mr. Allen** if the dog racing, which was a success at the time it shut down, did so because it wasn't properly authorized? **Mr. Allen** stated that was correct, it was not authorized by law. The board did not have the authority to authorize anything beyond the simulcasting of horseracing. Our concern was merely the integrity of the board.

SEN. KLAMPE asked **SEN. GAGE** if the bill was scheduled with short notice and if that was the reason no opponents showed up for the hearing. He added he had been handed a pamphlet with dead greyhounds on the front while he was in the hall. He wondered why no one was testifying against the bill if there are people who felt that way. Did they not know about the hearing? **CHAIRMAN HERTEL** replied that there is a procedure that is followed in scheduling bills and it was followed for these bills also. **SEN. GAGE** stated that 2 of the bills were scheduled for hearing 2 weeks ago, so the public has had access to the information for a considerable amount of time.

SEN. FORRESTER addressed **SEN. GAGE** stating he had received a call from a lady in Missoula who is distressed about greyhound racing because of the disposal methods used for dogs that can no longer run competitively. Are we getting ourselves into a hornet's nest

if we allow simulcast greyhound racing? Are there special interest groups in Montana which may place us in a bad light? Would it be better just to leave it alone? **SEN. GAGE** replied that people he has talked to thought this was going to be live greyhound racing, but that is not what this bill conveys. The total horseracing industry would be opposed to bringing live dog racing into the State of Montana. **SEN. FORRESTER** stated that he wasn't talking about live greyhound racing. There is a faction out there that does not approve of the way dogs are handled after their racing days are over. The lady that called me believed that by allowing simulcasting we are in a sense endorsing greyhound racing. She did not oppose horseracing because horses are treated in a more humane way when their racing days are over. **SEN. GAGE** understood her concern but whether or not we permit the dog racing in Montana, we should find out how this is handled by other states that already allow it.

SEN. WILSON asked **SEN. GAGE** why no one has asked about mule races. Where are they shown? at rest homes? I've heard of dogs but never mules. Is that a big business? **SEN. GAGE** stated that we have had some in Montana and they are interesting.

SEN. EMERSON remarked to **SEN. GAGE** he heard there was a scramble for the gambling dollar. The payout seems to be the same. Was the payout to the state the same as poker or horseracing. **SEN. GAGE** stated that the simulcasting payout to the state is the same as live horseracing, but not the same as video poker or keno. Horseracing pays a higher percentage to the state.

SEN. SPRAGUE asked **Mr. Murfitt** about the testimony from various fair board members, state senators, etc., who have racing interests. Did you see this as a conflict of interest in any way? **Mr. Murfitt** replied that he did not understand the question as it relates to simulcast partners. **SEN. SPRAGUE** stated that he wanted to be sure the question of ethics is thoroughly discussed here. Board members are concerned about conflict of interest. He was uncertain where the ethics line lies. He wished the DOJ was present because there is a very fine line in owning, operating, and managing. Legislation and all kinds of other issues enter in and maybe even a financial or fiduciary relationship. **Mr. Murfitt** replied that the rules and regulations binding the Board of Horseracing to enforce, specifically limit the involvement of anyone from a fair board member to a major or minor racing official, and prohibit them from participating actively in that sport. As an example, a fair board member would not be allowed to own a race horse at the meet where he is a member. Also, the director of racing or stewards cannot actively participate at the meet where they are officiating. The public outcry would be terrible. As for involvement taking place in simulcast, where the horses or dogs are racing 500-1500 miles away, there is not an opportunity for a fair board member to interfere in the results of a race; it would be impossible. **Mr. Murfitt** stated he was not allowed to bet on horses or simulcast.

Closing by Sponsor:

SEN. GAGE addressed whether or not this is expansion of gambling. How many different games have the lottery people introduced in the State of Montana. They bring in a new thing when they believe their customers are getting bored with an old game. Is that considered expansion of gambling in the State of Montana? If it isn't, then neither should this be.

HEARING ON SB 22

Opening Statement by Sponsor:

SEN. GAGE, SD 43, Cutbank, explained that SB 22 is an act exempting from Workers' Compensation coverage, a jockey or pony rider who is licensed by the Board of Horseracing. These are persons who are pretty much on their own. In some areas they have agents that go with them to line up their riding. He said, all of them, to his knowledge, file a schedule C tax return, which indicates a sole proprietorship as opposed to an employee.

Proponents' Testimony:

Sam Murfitt, Executive Secretary, Montana Board of Horse Racing, read his written testimony, **EXHIBIT 14.**

Bill Brown, MHBA and HBPA, owner and trainer from Butte, stated the passage of this bill is essential to small owners and trainers in the State of Montana. Jockeys are self-employed.

Burton Farley, Vice President, HBPA, added the HBPA is in favor of this bill.

Opponents' Testimony: None.

Informational Testimony: None.

{Tape: 2; Side: A}

Questions From Committee Members and Responses:

SEN. WILSON questioned **Mr. Murfitt** who replied to **SEN. WILSON** that in the packet of information there are copies of national publications which have a national subscription. There are articles on Montana and the legislation which is going to exempt jockeys. We have minutes of our meetings sent to regional representatives of jockeys. He received a call recently which he thought might concern Workers' Compensation. Instead, he was asked how many days of racing will we have in Montana this year. Apparently, they aren't too concerned about the bill. As far as the riders being a transient population, yes, that is true of most. As he stated in his testimony, approximately 60% are non-resident. They come to Montana. Depending on where they are,

MONTANA SENATE
1995 LEGISLATURE
BUSINESS AND INDUSTRY COMMITTEE

ROLL CALL DATE 2-2-95

NAME	PRESENT	ABSENT	EXCUSED
STEVE BENEDICT, VICE CHAIRMAN	✓		
WILLIAM CRISMORE	✓		
CASEY EMERSON	✓		
GARY FORRESTER	✓		
TERRY KLAMPE	✓		
KEN MILLER	✓		
MIKE SPRAGUE	✓		
BILL WILSON	✓		
JOHN HERTEL, CHAIRMAN	✓		

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SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 10
DATE 2-2-95
BILL NO. SB 19

Testimony for SB 19 - Greyhound Legislation

read by Dale Mahlum

Submitted By: Topper Tracy, Editor of the Racing Journal

Horse racing, agriculture, gambling, simulcast, the Board of Horse Racing and the Legislature come together in a curious way to make up the horse industry. It's important to understand the relationships to completely understand the horse industry.

Horses fit naturally into the agricultural industry as much as sheep, cattle or hogs. They need a large amount of land to be raised on, they need grains and hay to eat and they are selectively bred to produce desired offspring. They are bought and sold but differ from other farm animals in the fact that they are not raised for food but rather for work, pleasure or competition.

The value of the horse is not determined by supply and demand as dictated by the market, but by value of use. For example, a trained rope horse's value is determined by speed, ability and earning potential. The horse may sell for $1,000 or $10,000 depending on the buyers belief in the potential of the horse to help him win back his purchase price in the roping arena. It is the same for all competitive type horses, the value is determined by earning potential. For a race horse then his value is based on his earning potential.

At the live race meets earning potential of a horse comes from the purse amounts that he can earn by winning or "placing in the money" in a race. This is where gambling is introduced to the horse industry.

To increase the race purse pari-mutuel wagering was invented and is used in 31 horse racing states. Pari-mutuel simply refers to the type of equipment used to dispense race tickets. However,

distribution of money wagered is similar to other forms of gaming. In Montana, for each $1.00 wagered at the race meet $ .76 to $ .80 is returned to the bettor and $ .20 to $ .24 is taken out and distributed. The amount of the take out varies by the type of wager. The current distribution of the take out is 1% to the Board of Horse Racing, 9 1/2 % to the track for administration and 9 1/2 % to the race purse. For multiple horse wagers the additional take out is split between owners and breeders bonuses.

The sources of money for the race purse includes the 9 1/2 % take-out from the wagers, money from race sponsors, payments made by horseman and the income from simulcasting. Montana, because we have low population compared to other racing states can only produce a limited amount of money for the purse through sponsorships and the amount wagered at the race track. The only bright spot in this income picture for the past several years has been income generated through simulcasting.

Because Montana has some of the lowest race purses in the country it follows that the race tracks have difficulty attracting horses. As pointed out earlier race purses are a direct factor in determining earning potential and value of the horse.

The Board of Horse Racing and the Legislature come into play in the horse industry by virtue of this being a controlled industry because of the tie to gambling. The industry cannot go forth with a simulcast marketing plan without first getting Legislative approval. The industry needs the help of the board and the Legislature because we need to compete to assure that live racing remains a form of recreation in Montana.

I encourage this committee to give a do pass recommendation to SB 19.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 11
DATE 2-2-95
BILL NO. SB 19

Greyhound Legislation - Senate Bill 19

From: Don Bentson, Executive Secretary, Montana Horse Breeders Assn.

This testimony is presented in the form of questions and responses to those questions intended to inform the committee about different aspects of the horse industry.

What is simulcasting?

Simulcasting is the sending of a TV signal from a track conducting live racing that is received at a remote site. In Montana this is the same as if you were at that race track viewing a race at an inside TV monitor. Wagering or tote equipment at the Montana remote site is controlled so that all wagering stops when the race starts.

What does SB 19 do?

SB 19 allows the simulcast of greyhound races into Montana under the control of the Montana Board of Horse Racing for the purpose of providing an additional source of income for live horse racing.

What is the <u>Precise Issue</u> that is being addressed by this bill?

The issue is a declining number of horses and horseman willing to run at the Montana horse race meets for inadequate race purses.

Montana county fairs and other race meets need to provide increased purse money to horseman so they will run in Montana and assure the continuance of live horse racing in this state. Income generated from offering simulcast greyhound racing will be dedicated to providing increased purse money for live racing.

Keeping live horse racing in Montana keeps several thousand people employed at race meets and on the farms and ranches that break and train horses.

Background Information Needed to Help Understand SB 19

In 1989 simulcast horse racing was introduced into Montana for the purpose of using income generated from that source to enhance race purse money for live racing along with some funding of bonuses for owners and breeders. Owner and breeder awards promote the breeding and racing of a horse in this state. In addition some income derived from the simulcasting is used to help fund county fair board expenses and the Board of Horse Racing.

In Montana in 1994 we conducted live horse race meets at Helena, Great Falls, Shelby, Missoula, Hamilton, Billings, Miles City and Kalispell. Live races were conducted every weekend from May 1st to September 25th. Simulcast or live TV horse racing from out-of-state tracks was presented every weekend that live racing was not conducted. Simulcast races are held in 10 locations in Montana. Some locations are at county fairgrounds sites and some at taverns and restaurants.

The most important single item that drives live horse racing is the amount of purse that is offered for winning or placing "in the money". To horse owners purse has the same connotation as pay check to a wage earner. Race tracks conduct the live meets and

EXHIBIT 11
DATE 2-2-95
SB 19

determine what the purse amounts will be based on their estimated costs and estimated revenues. Horseman look at the purses to determine if they want to run at that race meet or go to another track where purses are higher. The latter choice has been a typical choice in recent years. Montana horseman would like to race horses in Montana but due to rising costs and reduced purses many have chose to run out-of-state.

Income to owners of race horses running horses in Montana is not sufficient or economically feasible for them to continue to run in Montana or breed race horses in Montana. The reduced number of horses makes it unprofitable for tracks to run a race meet and still provide sufficient purses. Tracks respond by offering fewer race days. A downward spiraling effect takes place such that as tracks run fewer race days and fewer races more owners and jockeys leave to go where horses race more often for more money. Typically, Montana horseman go to Spokane, Yakima, Calgary, and Winnipeg when we don't meet their needs in Montana.

The solution to reversing this trend is to increase revenue or race purses that owners run for so that we are more competitive with out-of-state tracks.

Why does the Horse Racing Industry Turn to the Legislature for Help in Solving Financial Problems?

The horse racing industry is a controlled industry in that we operate according to guidelines set in law and rules set by the Mt. Bd. of Horse Racing. The Legislature becomes our "Board of Directors" when restricted activities are contained in the law. The future of Montana live horse racing is dependent on legislation action.

Industry financial problems began several years ago with the passage of laws that allow other forms of legalized gaming in the state such as bingo, keno, video machines and the lottery. Over a period of about 10 years the income to horse racing dropped in half as we were no longer the only legalized gaming in the state. That drop in income would have resulted in the loss of live horse racing except that the Legislature in the 1989 session passed a bill to allow live simulcast wagering on horse racing. This combination of live and simulcast racing brought the income in 1994 back to the 1985 level.

The net income from simulcast horse racing added to that from live racing has helped offset income lost to other forms of gaming. However, revenues from simulcast horse racing produce only about one-half the revenue from the same amount of wagering at live race meets due to the formula used to distribute the simulcast money. For this reason and because expenses have risen dramatically in the past 10 years the trend of owners leaving the business continues. This trend if not reversed will eventually result in the loss of live racing to Montana and place an additional burden on the local fairs.

State government and the Legislature appear to strongly back efforts to bring a new computer industry to Butte. I believe we should make just as strong an effort to keep the jobs and the industries we already have.

Proposed Solution

The reason that greyhound simulcast racing is considered as the best source of increased revenue is that it has been tried and operated successfully already in Montana for about three months in 1993. Greyhound racing is well suited to the current Montana simulcast horse racing network because all the equipment used in

EXHIBIT 11
DATE 2-2-95
SB 19

horse racing can also be used for greyhound racing at no added cost. The greyhound racing provides evening entertainment and seems to attract different fans.

Does passing this legislation result in increased gambling in the state?

In the horse industry we do not consider this legislation to be an increase in gambling. From our point of view we our marketing another from of pari-mutuel wagering. This happens frequently when the lottery introduces new games or the video gaming industry brings out new machines. Our industry needs at least this much flexibility just to hold our market share of the recreation dollar that is spent on gaming.

Greyhound simulcast racing adds some variety to pari-mutuel wagering which we hope will bring back some of the wagering dollars that have been lost to other forms of gaming. This type of wagering appeals more than horse racing to those who like a little faster action and less handicapping of the animals.

One scenario that is very important for this committee to understand is that it was increased gaming in this state that almost destroyed the Montana live horse racing. Most people in the horse race industry supported bringing more gaming into the state for the same reason that many other people did and that was to avoid the outflow of gambling money to other states. We are currently in that same position with live horse racing such that if we cannot compete with other states we will lose the gaming dollars and the track and ranch jobs associated with live racing.

We believe a marginal increase in wagering if that should occur as a result of this bill is a very small price to pay in comparison to the

potential loss of industry jobs and recreational opportunities of thousands of horse race fans across the state.

Does this bill have the full support of the horse race industry?

This bill has the full support of all organizations involved in Montana horse racing including the Montana Horse Breeders, the Horseman's Benevolent and Protective Association, the Montana Simulcast Partners, the Montana Board of Horse Racing, Race track management and the Rocky Mountain Fair Association. We are not aware of any group in the horse race industry that opposes this bill.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 12
DATE 2-2-95
BILL NO. SB 19

Montana Simulcast Partners - Today

Montana Simulcast Partners is in charge of handling the simulcasting of races to Montana during the winter season in this state. Primarily, the simulcast partners offer television wagering on live horse races across the country to the patrons in Montana from the end of September, that is the closing weekend at MetraPark through the opening of the first race meet in Montana in the spring. This will consist of approximately 110 days of racing performances to the simulcast sites across Montana.

Montana Simulcast Partners was formed to control and administer the simulcasting so that all possible revenues could be filtered back into the industry in the form of purses, breeders awards, owners bonuses and site fees. Of the current 10 locations that MSP has in this state, the two sites that handle the most wagers are located at 2 of Montana's live race tracks; they are Great Falls & Billings.

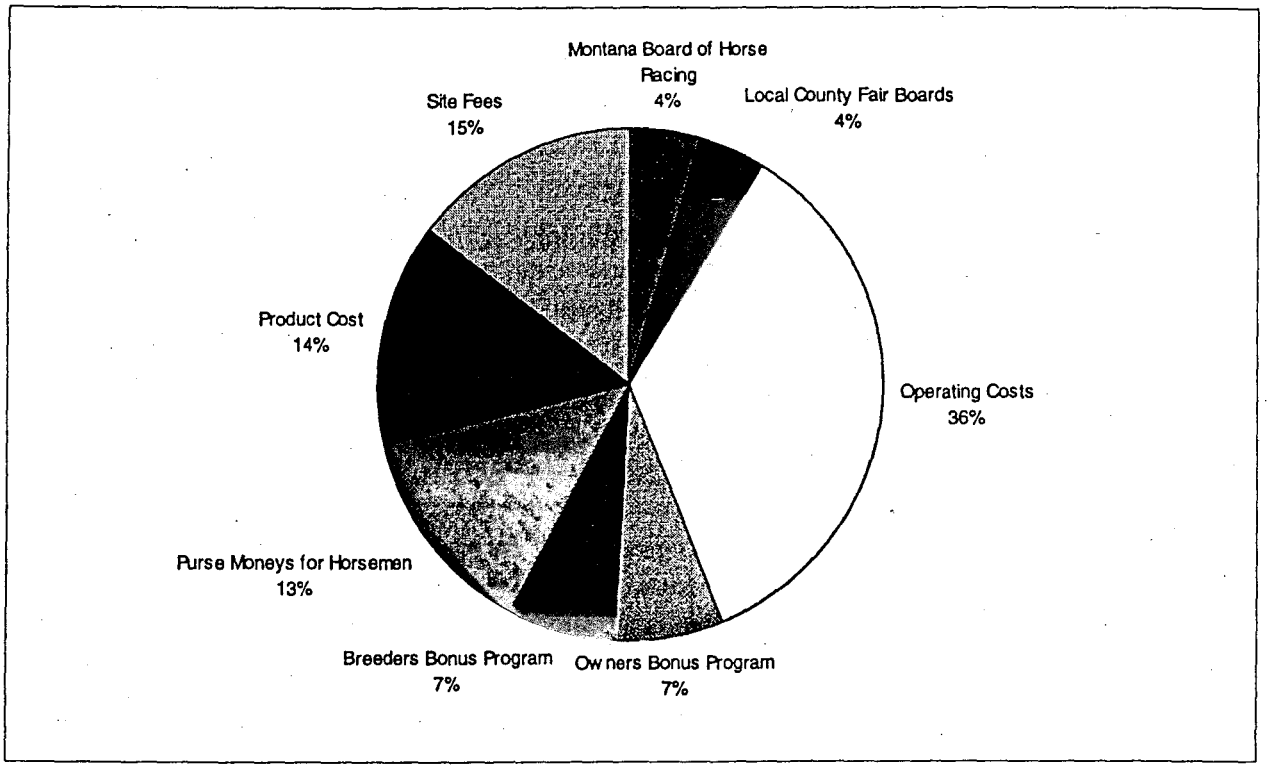
Montana Simulcast Partners is made up of an 8 member board. Each member represents one of the 8 live race meets in Montana. Of these 8 race meets, 6 of them are directly associated with their local fair. Each member has an equal vote. The makeup of this board is significant in that the race tracks themselves are controlling the simulcasting and in turn using any revenues and/or profits to support the live racing in the summer. The importance of this board lies in the fact that they are determined to continue to improve the simulcasting during the winter months because it has become such a vital part of financial support for the racing that exists during the summer in Montana and without such support, all of the live race tracks in Montana would be hard pressed to even open their doors.

Financial Picture of Montana Simulcast Partners

Since all 8 live race tracks in Montana are county owned facilities and 6 of the 8 race meets are operated by county or city employees, it was very apparent to Montana Simulcast Partners that a positive cash flow be created immediately. Over the past 5 years, the simulcast partners have demonstrated their ability to generate revenues for the live racing in Montana. In a brief review of the last couple years of simulcasting, from July 1, 1992 until today, Montana Simulcast Partners and their simulcast sites have contributed over $400,000 to county facilities

including the Great Falls and Billings simulcast sites, over $127,000 to the Montana Board of Horse Racing, $198,000 to Montana owners awards, $198,000 to Montana breeders awards and over $532,000 to purses in Montana.

When an amount is wagered at simulcasting, approximately 80% is returned to the public. The remaining 20% is used to pay for horsemen's purses, bonus programs, operating costs and as well as some additional items. The following pie chart displays the breakdown of every dollar of revenue and where it is spent for the Montana simulcasting network:



Another important point to be made about this pie chart is that the horsemen in this state benefit directly by receiving over 27% of the income for their purses and awards. After expenses, all revenues go directly back into the industry. There isn't another racing jurisdiction in the United States that gives back more of the revenues to the horsemen than in Montana. Montana Simulcast Partners is very proud of that fact and supports the concept that without higher purses in Montana, this state will more than likely witness the loss of an entire breeding and racing industry that is a multi-million dollar business in Montana.

The 1993/94 simulcast season was Montana Simulcast Partners most successful to-date. This was due partly to the trial operation of greyhound simulcasting during the months of December, January, and February. The greyhound simulcasting handled just over $500,000 in a 24 day test period which equates to an additional $100,000 in revenues for the simulcasting

network. Almost 75% of these additional revenues were returned to the Montana racing industry in the form of purses, bonus awards and fees.

EXHIBIT 12
DATE 2-2-95
SB 19

Greyhound Simulcasting - An Important Step For Montana

It is important that we recognize that fact that this legislation deals only with the simulcasting of live greyhound racing to Montana and in no way is intended for live greyhound racing to occur in Montana. The greyhound simulcasting would be a great help to the simulcasting network in Montana for three very important reasons:

(1) With the greyhounds and the flexibility of the number of races and facilities they run at, Montana Simulcast Partners is then able to offer our patrons simulcast racing on days other than just Friday, Saturday, and Sunday.

(2) Even though Montana Simulcast Partners have the option of showing simulcast horse racing on every day of the week, they felt that keeping the network financially stable was imperative to the success of simulcasting in Montana. With greyhound simulcasting, the network then can offer an additional product at a very low cost to the simulcast network and industry in general. The simulcasting of greyhound races gives our patrons more variety, but it still represents the same parimutuel wagering game we currently have in Montana with horse racing.

(3) By combining phone lines and totalisator equipment, Montana Simulcast Partners would be able to offer the greyhound simulcasting at a much lower cost per site than for the horses and thereby, generate more dollars for the live horse racing industry.

Conclusion

With the ability to offer a greater variety of products at possibly more convenient times day or evening, Montana Simulcast Partners will be able to create additional revenues for the live horse racing industry in Montana. We ask for your support of Senate Bill #19, in an effort to keep this valuable Montana industry.

Tom Tucker, Manager
Montana Simulcast Partners

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 13
DATE 2-2-95
BILL NO. SB 19

WESTERN MONTANA FAIR BOARD
MISSOULA, MONTANA

BILL NOONEY

Fair Board Member/Western Montana Fair in Missoula for over 30 years. About half of that time I have also raised and owned horses. As a fair board member, I represent the Western Montana Fair on the Montana Simulcast Partners Board of Directors (MSP).

As indicated prior, the live race meets in Montana, mostly county fairs started, funded and operate MSP which is regulated by the ~~by the~~ Montana Board of Horse Racing. Each race meet has one member representing it on the MSP Board of Directors.

With the introduction of video gaming and lotteries into the state of Montana, wagering on horse racing declined approximately 50 percent in the mid-80's. Because of this, state law was changed so that the industry could use simulcasting to supplement income to the industry. Without the funds from simulcasting to help supplement live race purses and awards, many fair-operated tracks would be forced to close.

At the Western Montana Fair, racing during our fair is not only part of our heritage, but contributes to the financial success of our fair. Racing is a part of our total entertainment package; i.e., racing, rodeo, carnival, night shows, horse shows, agricultural exhibits, 4-H, FFA and all other exhibits and

displays. Racing allows us to bring people to our fairgrounds to help support all of our non-profit food booths and so all exhibits will get the traffic they deserve. We have a down home family oriented and educational county fair at Missoula and we want to keep it that way as long as possible. Live racing is critical to the ongoing success of our fair and we need it.

To conduct a successful race meet you need horses and handle (wagering). Good purses will bring good horses. We in Missoula have the crowds willing to wager on a good horse race. Without good purses, horse owners and trainers go elsewhere. This is a business for them, they too have to pay their bills. They cannot do that unless the purses are adequate.

The contributions to purses and horsemen awards by MSP has helped keep the live racing industry in Montana viable. But the fairs, the tracks, and the horsemen continue to face increasing costs. We need to continue to improve on our purse structure. The most efficient way is to offer greyhound racing to our simulcast package. Presently, we could simulcast horse racing seven days per week, 24 hours a day if we wished. We do not want to do that; we only want to add more excitement and variety to our existing package.

EXHIBIT 13
DATE 2-2-95
SB 19

As in live racing, all simulcast betting operates under state law and the rules and regulations as set down by the Montana Board of Horse Racing.

We need to be able to compete for the entertainment dollar with video gaming and the various lotteries and scratch tickets. Video gaming changes its variety of video gaming. The scratch tickets change their games regularly; asking for greyhound simulcasting is no different than the state adding Tri-West Lotto.

Same game, different name.

As indicated prior, this bill does not allow for live greyhound racing, it is simulcast wagering only. All moneys generated by MSP other than direct cost of operation are returned to the industry and the local counties. We need to preserve this agricultural industry and its heritage.

Again, as was previously stated, we know of no one in the industry who does not support this bill. All of the fairs that conduct live racing and those that now have simulcast sites in their counties and the multitude of fans who enjoy horses and racing, ask for your support of Senate Bill #19.

We thank you in advance for your coopertion and favorable consideration.

DATE February 2, 1995

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY: Senate Bills 19-22-242

Senator Delwyn Gage

< ■ > PLEASE PRINT < ■ >

Name	Representing	Bill No.	Check One: Support	Oppose
Rosemary Lyke	H B P A	242		X
Albert Lyke	H.B.P.A	242		X
Maxine Peterson	HBPA	242	X	
Ralph Peterson	H.B.P.A.	242	X	
Burton Farley	Vice Pres HBPA	242	X	
Burton Farley	" "	19	X	
Burton Farley	" "	22	X	
Ellen Schmidt	Self-Same	22-19-242	X	
Doug Allen	Owner	242-19	X	
MAXINE PETERSON	HBPA	22	X	
"	"	19	X	
RALPH PETERSON	"	22	X	
"		19	X	
Rosemary Lyke	H.B.P.A.	19	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE Feb. 2, 1995

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY: Senate Bills 19-22-242

< ■ > PLEASE PRINT < ■ >

Name	Representing	Bill No.	Check One: Support	Oppose
Rosemary Lake	H.B.P.A.	22	X	
Albert Lake	H.B.P.A.	19	X	
Albert Lake	H.B.P.A.	22	X	
Bud SCRIBNER	HBPA	242	X	
"	"	22	X	
"	"	19	X	
Joyce Beel	HBPA Horse Breeders	242	X	
Charles R. Brooks	Yellowstone County		X	
Lou Wojciechowski	Mt. Bd Horse Racing	242		X
JAM murfitt	MBOHR	22	X	
Jim Scott	MBHR	242		X
PEGGY BUFFINGTON	self	242		X
Tom Tucker	Montana Simulcast	19	X	
Ray CLARK	MARIAS FAIR	19/22	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE February 2 1995

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY Senate Bill 19-22-242
Senator D. Gage

< ■ > PLEASE PRINT < ■ >

Name	Representing	Bill No.	Check One: Support	Oppose
Bill Ogg	Mt State Fair	19/22	X	
Cheryl Allen	HBPA - MHBA	242	X	
Allen Dennis	Self as owner	All	X	
Dave Dennis	Self as owner/trainer	19-22 242	X	
Lon Bentz	MHBA	11	X	
DALE MARLOW	MHBA	242 19	X	
JANE DeBruycker	~~Self~~ MHBA	242 19	X	
JOE W. ERICKSON	MHBA	19-22 242	X	
BILL BROWN	MHBA HBPA	19-22-24K	X	
JANET Veidt	NWMT FAIR	19/22	X	
SAM VEVOSIAK	MISSOULA, MT WESTERN MONT. FAIR	19/■	X	
GARY Koeppli	Ravalli County Fair	19-22	X	
11	11	242		X
Don L Hall	MHBA	19-22 242	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE Feb. 2, 1995

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY: SB 19-22-242

Senator Gage

Name	Representing	Bill No.	Check One: Support	Check One: Oppose
BJ Holmes	Mont Bar Helena	19	X	
Bill Mooney	West Mt Fam - Mole	19 22	X X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

DATE Feb. 2, 1995

SENATE COMMITTEE ON Business & Industry

BILLS BEING HEARD TODAY: SB 19-22-242

Senator GAGE

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
Lori Stewart	MHBA	242	X	
Bill Mooney	Western Mt Farm Mtg	19	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

REGISTER.F10

MINUTES

MONTANA SENATE
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By **CHAIRMAN JOHN HERTEL**, on February 6, 1995, at 8:00 a.m.

ROLL CALL

Members Present:
Sen. John R. Hertel, Chairman (R)
Sen. Steve Benedict, Vice Chairman (R)
Sen. William S. Crismore (R)
Sen. C.A. Casey Emerson (R)
Sen. Ken Miller (R)
Sen. Mike Sprague (R)
Sen. Gary Forrester (D)
Sen. Terry Klampe (D)

Members Excused: N/A

Members Absent: Sen. Bill Wilson (D)

Staff Present: Bart Campbell, Legislative Council
Carla Turk, Recording Secretary, in absence of Lynette Lavin, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	HB 207, HB 118, HB 193
Executive Action:	SB 19 DO PASS
	HB 118 BE CONCURRED IN
	HB 193 BE CONCURRED IN

HEARING ON HB 207

Opening Statement by Sponsor:

REP. JOE BARNETT, HD 32, Belgrade, stated he came to present HB 207 and to refresh the Committee's memory concerning the interstate banking bill from last session. During the summer the banks had gotten together and worked out a compromise. They asked him to carry the bill in 1993 because they wanted someone who had not been a part of the banking wars to carry it. It was passed and signed by the Governor. In the meantime, the Federal Government passed the Riegle-Neal Bill which gave states the

EXECUTIVE ACTION ON HB 118

Motion: **SEN. BENEDICT MADE THE MOTION HB 118 BE CONCURRED IN.**

Discussion: **SEN. KLAMPE** stated he liked HB 118 with the House Amendment and voted for do pass.

Vote: The motion **HB 118 BE CONCURRED IN CARRIED** unanimously. **SEN. MILLER** agreed to carry HB 118.

EXECUTIVE ACTION ON SB 19

Motion: **SEN. CRISMORE MADE THE MOTION SB 19 DO PASS.**

Discussion: **SEN. KLAMPE** regretted the Committee had not heard from everyone who was interested in the bill. After the meeting, he conversed with some people who were involved in eliminating gambling in Montana. The comment made that gambling did not in some way encourage dog racing in the country was not correct. It motivated more people to have an interest in it and lent more money to the activity. Dog racing was not a good thing and he discouraged its presence in Montana. It stimulated more gambling in the state. He opposed the bill for those two reasons.

SEN. FORRESTER told of a call he received from a lady in Missoula who was concerned about the dog racing because they killed the dogs when they were no longer capable to run competitively. He heard no more about the issue, so he guessed he would support the bill. However, the lady did have a point that dog racing was quite different from horse racing. Inasmuch as they lent their support to dog racing, as **SEN. KLAMPE** stated, the dog racers got a portion of the money. The lady was very concerned and he told her he would bring it to the attention of the Committee.

SEN. EMERSON stated that worries of that nature were the same thing as when they were shooting the buffalo that came out of Yellowstone Park. Some individuals became excited because it wasn't a hunt, it was a slaughter. They did all sorts of things to animals, so what if they did shoot dogs after the race. What difference was there to chopping off chicken heads and then eating the chickens. They needed to stand up to those types of people and say .."Hey, we were put here on earth to run things".

Vote: The motion **SB 19 DO PASS CARRIED 7-1** with **SEN. KLAMPE** voting no.

Discussion: **SEN. SPRAGUE** stated he did more checking on SB 246 and two years ago **SEN. CRIPPEN** introduced a bill that was in question, SB 246 would supersede that bill and there was a $250,000 law suit pending. His suggestion was to refer that bill to the Judiciary Committee. It did have cause and effect and rewrote the new law. It was complicated because of the law suit.

CHAIRMAN HERTEL stated the time limit was almost up and he was not sure.

SEN. FORRESTER inquired about the status of the Dial-up bill.

SEN. BENEDICT stated he had some things each side would like. He was not sure how **Attorney General Joe Mazurek** would feel about it. Everyone else had agreed to it and whether the Attorney General liked it or not **SEN. BENEDICT** stated he believed it was a good way to reach a compromise on the bill.

MONTANA SENATE
1995 LEGISLATURE
BUSINESS AND INDUSTRY COMMITTEE

ROLL CALL DATE 2-6-95

NAME	PRESENT	ABSENT	EXCUSED
STEVE BENEDICT, VICE CHAIRMAN	X		
WILLIAM CRISMORE	X		
CASEY EMERSON	X		
GARY FORRESTER	X		
TERRY KLAMPE	X		
KEN MILLER	X		
MIKE SPRAGUE	X		
BILL WILSON		X	
JOHN HERTEL, CHAIRMAN	X		

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CS-09

SENATE STANDING COMMITTEE REPORT

February 6, 1995

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration SB 19 (first reading copy -- white), respectfully report that SB 19 do pass.

Signed: John Hertel
Senator John R. Hertel, Chair

Amd. Coord.
Sec. of Senate

311248SC.SPV

MONTANA SENATE
1995 LEGISLATURE
BUSINESS AND INDUSTRY COMMITTEE
ROLL CALL VOTE

DATE 2/6/95 BILL NO. SB 19 NUMBER 1

MOTION: Senator Crismore moved SB 19 Do PASS

NAME	AYE	NO
STEVE BENEDICT, VICE CHAIRMAN	X	
WILLIAM CRISMORE	X	
CASEY EMERSON	X	
GARY FORRESTER	X	
TERRY KLAMPE		X
KEN MILLER	X	
MIKE SPRAGUE	X	
BILL WILSON		
JOHN HERTEL, CHAIRMAN	X	

SEN:1995
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CS-11

- BILL NO - REFERRED - HEARING - OTHER CONSIDERATION DATES - EXECUTIVE ACTION/DATE/VOTE -----
-- RERE FERRED ---- DATE READ

HB0599		3/17	3/20		PASS AS AMENDED	3/21	VOTE: 13-5	3/22
HB0602	KITZENBERG, SAM	3/17	3/21	INFRASTRUCTURE LOANS FOR JOB CREATION	PASS AS AMENDED	3/21	VOTE: 18-0	3/22
HJ0012	DEVANEY, CHARLES	1/20	1/26	INTERIM STUDY OF INTERSTATE BRANCH BANKING AND FEDERAL PUBLIC LAW 103-345	TABLED ON	1/27	VOTE: 18-0	
SB0016	AKLESTAD, GARY	1/10	1/17	ELIMINATE SPECIAL LEGISLATIVE REVIEW OF JTPA UNLESS FUNDED WITH JTPA FUNDS	CONCUR	1/17	VOTE: 18-0	1/17
SB0019	GAGE, DELWYN	2/15	3/03	ALLOW FOR SIMULCASTING OF GREYHOUND RACES	CONCUR	3/7	VOTE: 12-6	3/07
SB0021	HALLIGAN, MIKE	1/17	1/24	CLARIFY PERMISSIVE USE OF NATIONAL EMPLOYMENT CLASSIFICATIONS	CONCUR	1/24	VOTE: 17-1	1/25
SB0022	GAGE, DELWYN	2/15	3/03	PROVIDE LIMITED EXEMPTION FOR LICENSED JOCKEY FROM WORKERS' COMPENSATION	CONCUR	3/7	VOTE: 18-0	3/07
SB0033	KEATING, TOM	1/14	1/24	ELIMINATING THE $25 MINIMUM WORKERS' COMP OLD FUND LIABILITY TAX	CONCUR	1/24	VOTE: 18-0	1/25
SB0038	BENEDICT, STEVE	1/23	1/26	JOB INVESTMENT ACT	CONCUR AS AMENDED	3/7	VOTE: 15-3	3/07
SB0065	DOHERTY, STEVE	1/26	1/31	APPLICATION AND FEE REQUIRED FOR OUT-OF-STATE ATTORNEY COURT APPEARANCES	TABLED ON	1/31	VOTE: 18-0	
SB0067	LYNCH, J. D.	1/23	1/26	EXEMPT INS LICENSEE OVER 70 & 35 YRS GOOD STANDING FROM CONTIN ED CLASS	TABLED ON	1/27	VOTE: 16-2	
SB0080	KEATING, TOM	2/06	3/07	EXEMPT NEWS EDITORS, RADIO ANNOUNCERS, CERTAIN ENGINEERS FROM OVERTIME LAWS	CONCUR	3/7	VOTE: 13-5	3/07

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & LABOR

Call to Order: By **CHAIRMAN BRUCE T. SIMON**, on March 3, 1995, at 8:00 AM.

ROLL CALL

Members Present:

Rep. Bruce T. Simon, Chairman (R)
Rep. Norm Mills, Vice Chairman (Majority) (R)
Rep. Robert J. "Bob" Pavlovich, Vice Chairman (Minority) (D)
Rep. Vicki Cocchiarella (D)
Rep. Charles R. Devaney (R)
Rep. Jon Ellingson (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. David Ewer (D)
Rep. Rose Forbes (R)
Rep. Jack R. Herron (R)
Rep. Bob Keenan (R)
Rep. Don Larson (D)
Rep. Rod Marshall (R)
Rep. Jeanette S. McKee (R)
Rep. Karl Ohs (R)
Rep. Paul Sliter (R)
Rep. Carley Tuss (D)
Rep. Joe Barnett (R)

Members Excused: None.

Members Absent: None.

Staff Present: Stephen Maly, Legislative Council
Alberta Strachan, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	SB 216, SB 177, SB 228, SB 238, SB 242, SB 22, SB 19
Executive Action:	SB 177, SB 216, SB 201, SB 238, SB 228

HEARING ON SB 216

Opening Statement by Sponsor:

SEN. TOM BECK, SD 28, Powell County, said this bill was an act establishing continuing education requirements for credit life

stated before a vote. **Ms. Wojciechowski** said if the members of the Board were in a quorum there could not be a withdrawal.

REP. COCCHIARELLA asked how her conflict of interest was any different than what a horseman's conflict of interest would be. **Ms. Wojciechowski** said the protection of the public was a main concern.

Closing by Sponsor:

The sponsor closed.

TAPE 2, SIDE B

HEARING ON SB 22

Opening Statement by Sponsor:

SEN. GAGE said this bill was an act providing a limited exemption from workers' compensation coverage for a jockey who is licenses by the Board of Horseracing.

Proponents' Testimony:

Sam Murfitt provided written testimony. **EXHIBIT 9**

REP. DANIEL FUCHS stated he supported this bill.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

The sponsor closed.

HEARING ON SB 19

Opening Statement by Sponsor:

SEN. GAGE said this bill was an act including greyhound races as races that may be simulcast under the Board of Horseracing's authority.

Proponents' Testimony:

REP. ELLIS stated he supported this bill and provided an amendment.

Bill Brown, Director, Montana Horse Breeders said the solution to reversing this trend is to increase revenue or race purses that owners run so that they are more competitive with out-of-state tracks. **EXHIBIT 11**

Don Bentson, Executive Secretary, Montana Horse Breeders Association, said this bill has the full support of all organizations involved in Montana horse racing including the Montana Horse Breeders, the Horseman's Benevolent and Protective Association, the Montana Simulcast Partners, the Montana Board of Horse Racing, race track management and the Rocky Mountain Fair Association. They are not aware of any group in the horse race industry that opposed this bill. **EXHIBIT 12**

Tom Tucker, Manager, Montana Simulcast Partners, said with the ability to offer a greater variety of products at possibly more convenient times day or evening, they will be able to create additional revenues for the live horse racing industry. **EXHIBIT 13**

Sam Yewosiak, Western Montana Fair, said he supported this bill. The money from simulcast does help the horsemen because it is used in purses. It also helps the fairs.

REP. DANIEL FUCHS stated he supported this bill.

Bill Koskey said he supported the bill with the amendment. He said there were no regulations in the horseracing statutes that protects the betters.

Opponents' Testimony:

Harley Warner, Montana Religious Coalition and The Montana Catholic Conference, said they had a much simpler view of the bill than the opponents. They opposed this bill because it is an increase in gambling. They are asking for an increase in the dollars that are being wagered in Montana.

Informational Testimony:

Bill Nooney, Board Member, Western Montana Fair in Missoula, EXHIBIT 14

Questions From Committee Members and Responses:

REP. COCCHIARELLA asked for an explanation of the amendment. **Mr. Murfitt** explained the amendment.

REP. LARSON said video gaming wagering is approximately $450 million a year in Montana and asked what the volume of simulcasting race betting was. **Mr. Murfitt** said the figure was $5 million.

REP. MILLS asked where there were mule races. **Mr. Murfitt** said they could be viewed in Shelby, Kalispell, Missoula, Hamilton.

Closing by Sponsor:

The sponsor closed.

HOUSE OF REPRESENTATIVES

Business and Labor

ROLL CALL DATE 3-3-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bruce Simon, Chairman	✓		
Rep. Norm Mills, Vice Chairman, Majority	✓		
Rep. Bob Pavlovich, Vice Chairman, Minority	✓		
Rep. Joe Barnett	✓		
Rep. Vicki Cocchiarella	✓		
Rep. Charles Devaney	✓		
Rep. Jon Ellingson	✓		
Rep. Alvin Ellis, Jr.	✓		
Rep. David Ewer	✓		
Rep. Rose Forbes	✓		
Rep. Jack Herron	✓		
Rep. Bob Keenan	✓		
Rep. Don Larson	✓		
Rep. Rod Marshall	✓		
Rep. Jeanette McKee	✓		
Rep. Karl Ohs	✓		
Rep. Paul Sliter	✓		
Rep. Carley Tuss	✓		

EXHIBIT 11
DATE 3-3-95
~~HB~~ SB22

Testimony for SB 19 - Greyhound Legislation

Submitted By: Bill Brown
Director, Montana Horse Breeders
Director, Horseman Benevolent and Protective Assn.

Horse racing, agriculture, gambling, simulcast, the Board of Horse Racing and the Legislature come together in a curious way to make up the horse industry. It's important to understand some of the relationships to completely understand the industry.

Horses fit naturally into the agricultural industry as much as sheep, cattle or hogs. They need a large amount of land to be raised on, they need grains and hay to eat and they are selectively bred to produce desired offspring. They are bought and sold but differ from other farm animals in the fact that they are not raised for food but rather for work, pleasure or competition.

The value of the horse is not determined by supply and demand as dictated by the market, but by value of use. For example, a trained rope horse's value is determined by speed, ability and earning potential. The horse may sell for $1,000 or $10,000 depending on the buyers belief in the potential of the horse to help him win back his purchase price in the roping arena. It is the same for all competitive type horses, the value is determined by earning potential. For a race horse then his value is based on his earning potential.

At the live race meets earning potential of a horse comes from the purse amounts that he can earn by winning or "placing in the money" in a race. This is where gambling is introduced to the horse industry.

To increase the race purse pari-mutuel wagering was invented and is used in 31 horse racing states. Pari-mutuel simply refers to the method of pooling wagers. However, distribution of money wagered is similar to other forms of gaming. In Montana, for each $1.00 wagered at the race meet $ .76 to $ .80 is returned to the bettor and $ .20 to $ .24 is taken out and distributed. The amount of the take out varies by the type of wager. The current distribution of the take out is 1% to the Board of Horse Racing, 9 1/2 % to the track for administration and 9 1/2 % to the race purse. For multiple horse wagers the additional take out is split between owners and breeders bonuses.

The sources of money for the race purse includes the 9 1/2 % take-out from the wagers, money from race sponsors, payments made by horseman and the income from simulcasting. Montana, because we have low population compared to other racing states can only produce a limited amount of money for the purse through sponsorships and the amount wagered at the race track. The only bright spot in this income picture for the past several years has been income generated through simulcasting.

Because Montana has some of the lowest race purses in the country it follows that the race tracks have difficulty attracting horses. As pointed out earlier race purses are a direct factor in determining earning potential and value of the horse.

The Board of Horse Racing and the Legislature come into play in the horse industry by virtue of this being a controlled industry because of the tie to gambling. The industry cannot go forth with a simulcast marketing plan without first getting Legislative approval. The industry needs the help of the board and the Legislature because we need to compete to assure that live racing remains a form of recreation in Montana.

To give this bill proper consideration the committee needs to understand what simulcasting is, what SB 19 does and some horse race industry background.

Simulcasting is the sending of a TV signal from a track conducting live racing that is received at a remote site. In Montana this is the same as if you were at that race track viewing a race at an inside TV monitor. Wagering or tote equipment at the Montana remote site is controlled so that all wagering stops when the race starts.

SB 19 allows the simulcast of greyhound races into Montana under the control of the Montana Board of Horse Racing for the purpose of providing an additional source of income for live horse racing.

The issue is a declining number of horses and horseman willing to run at the Montana horse race meets for inadequate race purses.

Montana county fairs and other race meets need to provide increased purse money to horseman so they will run in Montana and assure the continuance of live horse racing in this state. Income generated from offering simulcast greyhound racing will be dedicated to providing increased purse money for live racing.

Keeping live horse racing in Montana keeps several thousand people employed at race meets and on the farms and ranches that break and train horses.

In 1989 simulcast horse racing was introduced into Montana for the purpose of using income generated from that source to enhance race purse money for live racing along with some funding of bonuses for owners and breeders. Owner and breeder awards promote the breeding and racing of a horse in this state. In

addition some income derived from the simulcasting is used to help fund county fair board expenses and the Board of Horse Racing.

In Montana in 1994 we conducted live horse race meets at Helena, Great Falls, Shelby, Missoula, Hamilton, Billings, Miles City and Kalispell. Live races were conducted every weekend from May 1st to September 25th. Simulcast or live TV horse racing from out-of-state tracks was presented every weekend that live racing was not conducted. Simulcast races are held in 10 locations in Montana. Some locations are at county fairgrounds sites and some at taverns and restaurants.

The most important single item that drives live horse racing is the amount of purse that is offered for winning or placing "in the money". To horse owners purse has the same connotation as pay check to a wage earner. Race tracks conduct the live meets and determine what the purse amounts will be based on their estimated costs and estimated revenues. Horseman look at the purses to determine if they want to run at that race meet or go to another track where purses are higher. The latter choice has been a typical choice in recent years. Montana horseman would like to race horses in Montana but due to rising costs and reduced purses many have chose to run out-of-state. Typically, Montana horseman go to Spokane, Yakima, Calgary, and Winnipeg when we don't meet their needs in Montana.

The solution to reversing this trend is to increase revenue or race purses that owners run for so that we are more competitive with out-of-state tracks.

I encourage this committee to give a do pass recommendation to SB 19.

EXHIBIT 12
DATE 3-3-95
~~HB~~ SB22

Greyhound Legislation - Senate Bill 19

From: Don Bentson, Executive Secretary, Montana Horse Breeders Assn.

Why does the Horse Racing Industry Turn to the Legislature for Help in Solving Financial Problems?

The horse racing industry is a controlled industry in that we operate according to guidelines set in law and rules set by the Mt. Bd. of Horse Racing. The Legislature becomes our "Board of Directors" when restricted activities are contained in the law. The future of Montana live horse racing is dependent on legislation action.

Industry financial problems began several years ago with the passage of laws that allow other forms of legalized gaming in the state such as bingo, keno, video machines and the lottery. Over a period of about 10 years the income to horse racing dropped in half as we were no longer the only legalized gaming in the state. That drop in income would have resulted in the loss of live horse racing except that the Legislature in the 1989 session passed a bill to allow live simulcast wagering on horse racing. This combination of live and simulcast racing brought the income in 1994 back to the 1985 level.

The net income from simulcast horse racing added to that from live racing has helped offset income lost to other forms of gaming . However, revenues from simulcast horse racing produce only about one-half the revenue from the same amount of wagering at live race meets due to the formula used to distribute the simulcast money. For this reason and because expenses have risen dramatically in the past 10 years the trend of owners leaving the business continues. This trend if not reversed will eventually

result in the loss of live racing to Montana and place an additional burden on the local fairs.

State government and the Legislature appear to strongly back efforts to bring new industry to Montana. We should make just as strong an effort to keep the jobs and the industries we already have.

Proposed Solution

The reason that greyhound simulcast racing is considered as the best source of increased revenue is that it has been tried and operated successfully already in Montana for about three months in 1993. Greyhound racing is well suited to the current Montana simulcast horse racing network because all the equipment used in horse racing can also be used for greyhound racing at no added cost. The greyhound racing provides evening entertainment and seems to attract different fans.

Does passing this legislation result in increased gambling in the state?

In the horse industry we do not consider this legislation to be an increase in gambling. From our point of view we our marketing another from of pari-mutuel wagering. This happens frequently when the lottery introduces new games or the video gaming industry brings out new machines. Our industry needs at least this much flexibility just to hold our market share of the recreation dollar that is spent on gaming.

Greyhound simulcast racing adds some variety to pari-mutuel wagering which we hope will bring back some of the wagering dollars that have been lost to other forms of gaming. This type of

wagering appeals more than horse racing to those who like a little faster action and less handicapping of the animals.

One scenario that is very important for this committee to understand is that it was increased gaming in this state that almost destroyed the Montana live horse racing. Most people in the horse race industry supported bringing more gaming into the state for the same reason that many other people did and that was to avoid the outflow of gambling money to other states. We are currently in that same position with live horse racing such that if we cannot compete with other states we will lose the gaming dollars and the track and ranch jobs associated with live racing.

We believe a marginal increase in wagering if that should occur as a result of this bill is a very small price to pay in comparison to the potential loss of industry jobs and recreational opportunities of thousands of horse race fans across the state.

Does this bill have the full support of the horse race industry?

This bill has the full support of all organizations involved in Montana horse racing including the Montana Horse Breeders, the Horseman's Benevolent and Protective Association, the Montana Simulcast Partners, the Montana Board of Horse Racing, Race track management and the Rocky Mountain Fair Association. We are not aware of any group in the horse race industry that opposes this bill.

EXHIBIT 13
DATE 3-3-95
HB SB 19

Montana Simulcast Partners - Today

Montana Simulcast Partners is in charge of handling the simulcasting of races to Montana during the winter season in this state. Primarily, the simulcast partners offer television wagering on live horse races across the country to the patrons in Montana from the end of September, that is the closing weekend at MetraPark through the opening of the first race meet in Montana in the spring. This will consist of approximately 110 days of racing performances to the simulcast sites across Montana.

Montana Simulcast Partners was formed to control and administer the simulcasting so that all possible revenues could be filtered back into the industry in the form of purses, breeders awards, owners bonuses and site fees. Of the current 10 locations that MSP has in this state, the two sites that handle the most wagers are located at 2 of Montana's live race tracks; they are Great Falls & Billings.

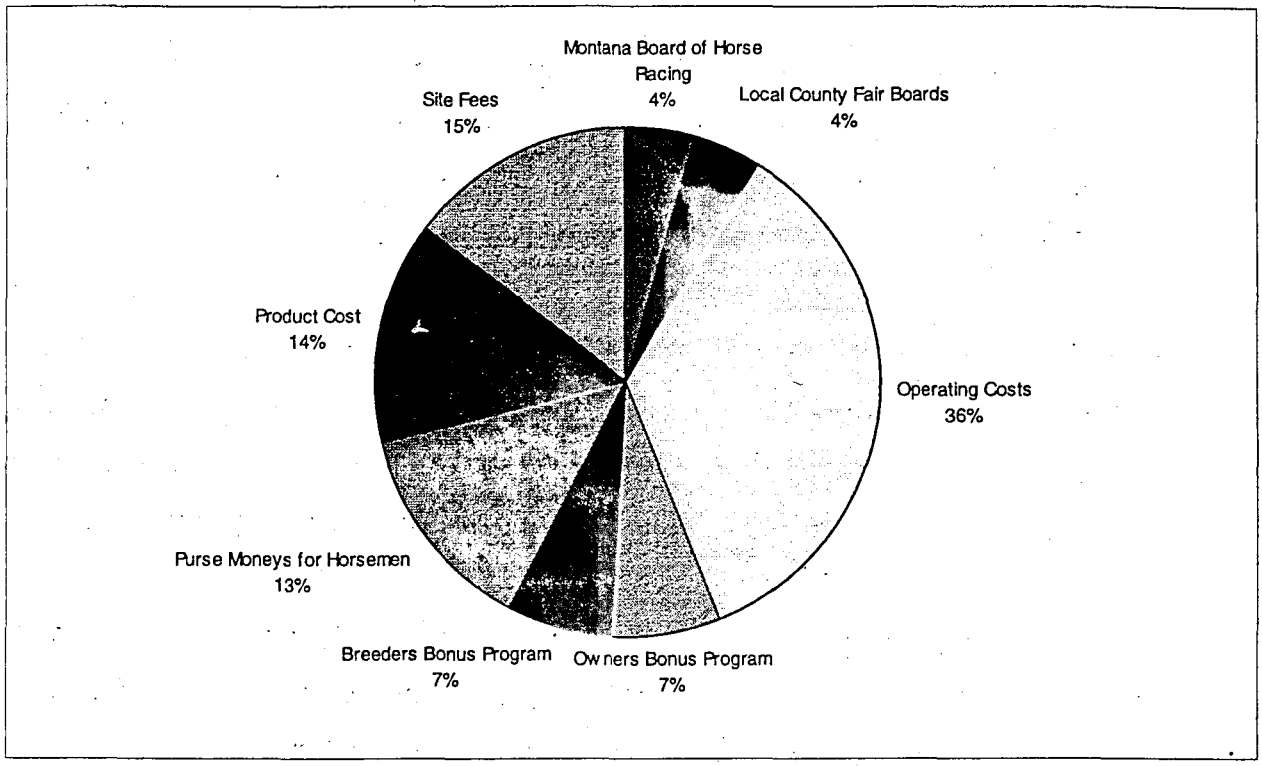
Montana Simulcast Partners is made up of an 8 member board. Each member represents one of the 8 live race meets in Montana. Of these 8 race meets, 6 of them are directly associated with their local fair. Each member has an equal vote. The makeup of this board is significant in that the race tracks themselves are controlling the simulcasting and in turn using any revenues and/or profits to support the live racing in the summer. The importance of this board lies in the fact that they are determined to continue to improve the simulcasting during the winter months because it has become such a vital part of financial support for the racing that exists during the summer in Montana and without such support, all of the live race tracks in Montana would be hard pressed to even open their doors.

Financial Picture of Montana Simulcast Partners

Since all 8 live race tracks in Montana are county owned facilities and 6 of the 8 race meets are operated by county or city employees, it was very apparent to Montana Simulcast Partners that a positive cash flow be created immediately. Over the past 5 years, the simulcast partners have demonstrated their ability to generate revenues for the live racing in Montana. In a brief review of the last couple years of simulcasting, from July 1, 1992 until today, Montana Simulcast Partners and their simulcast sites have contributed over $400,000 to county facilities

including the Great Falls and Billings simulcast sites, over $127,000 to the Montana Board of Horse Racing, $198,000 to Montana owners awards, $198,000 to Montana breeders awards and over $532,000 to purses in Montana.

When an amount is wagered at simulcasting, approximately 80% is returned to the public. The remaining 20% is used to pay for horsemen's purses, bonus programs, operating costs and as well as some additional items. The following pie chart displays the breakdown of every dollar of revenue and where it is spent for the Montana simulcasting network:



Another important point to be made about this pie chart is that the horsemen in this state benefit directly by receiving over 27% of the income for their purses and awards. After expenses, all revenues go directly back into the industry. There isn't another racing jurisdiction in the United States that gives back more of the revenues to the horsemen than in Montana. Montana Simulcast Partners is very proud of that fact and supports the concept that without higher purses in Montana, this state will more than likely witness the loss of an entire breeding and racing industry that is a multi-million dollar business in Montana.

The 1993/94 simulcast season was Montana Simulcast Partners most successful to-date. This was due partly to the trial operation of greyhound simulcasting during the months of December, January, and February. The greyhound simulcasting handled just over $500,000 in a 24 day test period which equates to an additional $100,000 in revenues for the simulcasting

network. Almost 75% of these additional revenues were returned to the Montana racing industry in the form of purses, bonus awards and fees.

Greyhound Simulcasting - An Important Step For Montana

It is important that we recognize that fact that this legislation deals only with the simulcasting of live greyhound racing to Montana and in no way is intended for live greyhound racing to occur in Montana. The greyhound simulcasting would be a great help to the simulcasting network in Montana for three very important reasons:

(1) With the greyhounds and the flexibility of the number of races and facilities they run at, Montana Simulcast Partners is then able to offer our patrons simulcast racing on days other than just Friday, Saturday, and Sunday.

(2) Even though Montana Simulcast Partners have the option of showing simulcast horse racing on every day of the week, they felt that keeping the network financially stable was imperative to the success of simulcasting in Montana. With greyhound simulcasting, the network then can offer an additional product at a very low cost to the simulcast network and industry in general. The simulcasting of greyhound races gives our patrons more variety, but it still represents the same parimutuel wagering game we currently have in Montana with horse racing.

(3) By combining phone lines and totalisator equipment, Montana Simulcast Partners would be able to offer the greyhound simulcasting at a much lower cost per site than for the horses and thereby, generate more dollars for the live horse racing industry.

Conclusion

With the ability to offer a greater variety of products at possibly more convenient times day or evening, Montana Simulcast Partners will be able to create additional revenues for the live horse racing industry in Montana. We ask for your support of Senate Bill #19, in an effort to keep this valuable Montana industry.

Tom Tucker, Manager

Montana Simulcast Partners

EXHIBIT 14
DATE 3-3-95
~~HB~~ SB 19

WESTERN MONTANA FAIR BOARD
MISSOULA, MONTANA

BILL NOONEY

Fair Board Member/Western Montana Fair in Missoula for over 30 years. About half of that time I have also raised and owned horses. As a fair board member, I represent the Western Montana Fair on the Montana Simulcast Partners Board of Directors (MSP).

As indicated prior, the live race meets in Montana, mostly county fairs started funded and operate MSP which is regulated by the by the Montana Board of Horse Racing. Each race meet has one member representing it on the MSP Board of Directors.

With the introduction of video gaming and lotteries into the state of Montana, wagering on horse racing declined approximately 50 percent in the mid-80's. Because of this, state law was changed so that the industry could use simulcasting to supplement income to the industry. Without the funds from simulcasting to help supplement live race purses and awards, many fair-operated tracks would be forced to close.

At the Western Montana Fair, racing during our fair is not only part of our heritage, but contributes to the financial success of our fair. Racing is a part of our total entertainment package; i.e., racing, rodeo, carnival, night shows, horse shows, agricultural exhibits, 4-H, FFA and all other exhibits and

displays. Racing allows us to bring people to our fairgrounds to help support all of our non-profit food booths and so all exhibits will get the traffic they deserve. We have a down home family oriented and educational county fair at Missoula and we want to keep it that way as long as possible. Live racing is critical to the ongoing success of our fair and we need it.

To conduct a successful race meet you need horses and handle (wagering). Good purses will bring good horses. We in Missoula have the crowds willing to wager on a good horse race. Without good purses, horse owners and trainers go elsewhere. This is a business for them, they too have to pay their bills. They cannot do that unless the purses are adequate.

The contributions to purses and horsemen awards by MSP has helped keep the live racing industry in Montana viable. But the fairs, the tracks, and the horsemen continue to face increasing costs. We need to continue to improve on our purse structure. The most efficient way is to offer greyhound racing to our simulcast package. Presently, we could simulcast horse racing seven days per week, 24 hours a day if we wished. We do not want to do that; we only want to add more excitement and variety to our existing package.

EXHIBIT 14
DATE 3-3-95
SB 19

As in live racing, all simulcast betting operates under state law and the rules and regulations as set down by the Montana Board of Horse Racing.

We need to be able to compete for the entertainment dollar with video gaming and the various lotteries and scratch tickets. Video gaming changes its variety of video gaming. The scratch tickets change their games regularly; asking for greyhound simulcasting is no different than the state adding Tri-West Lotto.

Same game, different name.

As indicated prior, this bill does not allow for live greyhound racing, it is simulcast wagering only. All moneys generated by MSP other than direct cost of operation are returned to the industry and the local counties. We need to preserve this agricultural industry and its heritage.

Again, as was previously stated, we know of no one in the industry who does not support this bill. All of the fairs that conduct live racing and those that now have simulcast sites in their counties and the multitude of fans who enjoy horses and racing, ask for your support of Senate Bill #19.

We thank you in advance for your coopertion and favorable consideration.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor DATE 3-3-95

BILL NO. SB 19 SPONSOR(S)

PLEASE PRINT PLEASE PRINT PLEASE PRIN

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Allen Shumate 730 Flowerree · Helena	Self - Owner - Breeder	Very Strong	
Don Benton	MT. Horse Breeders	✓	
Janet Veidt	Northwest MT Fair Racing	✓	
ELLEN ENGSTEDT	DON'T GAMBLE WITH THE PUBLIC		✓
MAXINE PETERSON	MT. HORSE RACING	✓	
Bill Koski	MT Bettors		
Ralph Peterson	Mt Horse Racing	X	
Ellen Dennis	Mt. Horse Racing	✓	
Dave Dennis	Self	✓	
R. Lee	Mt. HBPA	✓	
JAY CLARK	MARIAS FAIR	✓	
SAM YEWUSIAK	WESTERN MT. FAIR	✓	
HARLEY WARNER	MONT. ASSOC OF CHURCHES		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORI
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor DATE 3-3-95

BILL NO. 19 SPONSOR(S)

PLEASE PRINT PLEASE PRINT PLEASE PRIN

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Bill Brown	MHPA & MHBA	✓	
Tom Tucker	MT. Simulcast Partners	✓	
Scott Sherwood	MT. State Fair Race mgt	✓	
Cheryl Nunn	Self	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORM ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor DATE 3-3-95

BILL NO. '9 SPONSOR(S)

PLEASE PRINT PLEASE PRINT PLEASE PRIN

NAME AND ADDRESS	REPRESENTING	Support	Oppose
[illegible]	[illegible]	✓	
Don L. Hall	Self	✓	
Alvin Ellis VS	Self	✓ As/A	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORM ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & LABOR

Call to Order: By **CHAIRMAN BRUCE T. SIMON**, on March 7, 1995, at 8:00 A.M.

ROLL CALL

Members Present:

Rep. Bruce T. Simon, Chairman (R)
Rep. Norm Mills, Vice Chairman (Majority) (R)
Rep. Robert J. "Bob" Pavlovich, Vice Chairman (Minority) (D)
Rep. Vicki Cocchiarella (D)
Rep. Charles R. Devaney (R)
Rep. Jon Ellingson (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. David Ewer (D)
Rep. Rose Forbes (R)
Rep. Jack R. Herron (R)
Rep. Bob Keenan (R)
Rep. Don Larson (D)
Rep. Rod Marshall (R)
Rep. Jeanette S. McKee (R)
Rep. Karl Ohs (R)
Rep. Paul Sliter (R)
Rep. Carley Tuss (D)
Rep. Joe Barnett (R)

Members Excused: None.

Members Absent: None.

Staff Present: Stephen Maly, Legislative Council
Alberta Strachan, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	SB 151, SB 80, SB 392, SB 400,
Executive Action:	HB 574, SB 400, SB 80, SB 375, SB 384, SB 22, SB 242, SB 19, SB 201, SB 38

Discussion:

REP. ELLIS said this was an uncommon practice to specify where a representative on a board must reside.

REP. PAVLOVICH said members on the lottery board were all from eastern Montana.

CHAIRMAN SIMON said there was already a geographical distribution requiring one member from each of the following districts and it lists five districts.

REP. SLITER said there is some concern that the two members would be from Helena and they in turn would have an over-bearing representation on the Board.

REP. COCCHIARELLA asked how the five areas were divided.

Sam Murfitt, Board of Horseracing, Department of Commerce, said the statute currently has five members on the Board. Each one must be from one geographic area.

REP. ELLIS said the only way this could be done is to designate two different representative districts.

TAPE 2, SIDE B

REP. MCKEE withdrew her amendment.

Motion/Vote: **REP. COCCHIARELLA MOVED THE COCCHIARELLA AMENDMENT. Motion carried 18-0.**

Motion/Vote: **REP. DEVANEY MOVED SB 242 BE CONCURRED IN AS AMENDED. Motion carried 16-2 with REPS. EWER and SLITER voting no.**

EXECUTIVE ACTION ON SB 19

Motion: **REP. ELLIS MOVED SB 19 BE CONCURRED IN. REP. ELLIS MOVED THE ELLIS AMENDMENTS.**

Vote: **Motion failed to adopt the Ellis amendments 7-11 with REPS. HERRON, ELLINGSON, BARNETT, EWER, MILLS, MARSHALL and ELLIS voting no.**

Motion/Vote: **REP. MOVED SB 19 BE CONCURRED IN. Motion carried 12-6 with REPS. HERRON, BARNETT, EWER, SIMON, MILLS and KEENAN voting no.**

HOUSE OF REPRESENTATIVES

Business and Labor

ROLL CALL DATE 3-7-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bruce Simon, Chairman	X		
Rep. Norm Mills, Vice Chairman, Majority	X		
Rep. Bob Pavlovich, Vice Chairman, Minority	X		
Rep. Joe Barnett	X		
Rep. Vicki Cocchiarella	X		
Rep. Charles Devaney	X		
Rep. Jon Ellingson	X		
Rep. Alvin Ellis, Jr.	X		
Rep. David Ewer	X		
Rep. Rose Forbes	X		
Rep. Jack Herron	X		
Rep. Bob Keenan	X		
Rep. Don Larson	X		
Rep. Rod Marshall	X		
Rep. Jeanette McKee	X		
Rep. Karl Ohs	X		
Rep. Paul Sliter	X		
Rep. Carley Tuss	X		

HOUSE STANDING COMMITTEE REPORT

March 7, 1995

Mr. Speaker: We, the committee on **Business and Labor** report that **Senate Bill 19** (third reading copy -- blue) **be concurred in.**

Signed: _____
Bruce Simon, Chair

Carried by: Rep. Ellis

DS

Committee Vote:
Yes 12, No 6.

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